

- (d) if so, the action taken against the guilty officials ;
- (e) whether same techniques are being used in other public sector fertilizer companies ; and
- (f) if so, the details thereof and the remedial measures taken by the Government in this regard?

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI M. ARUNACHALAM) (a) to (f) The attention of the Government has been drawn to the news item. It has been alleged in the Press Report that in a recent purchase by Rashtriya Chemicals & Fertilizers Ltd., (RCF) from Togo, prices of Rock Phosphate have been deliberately inflated by incorporating an element of distorted freight charge and that Transchart has been forced to give a waiver.

The Government has examined the matter and found that RCF had invited global tenders in February, 1997 for purchase of rock Phosphate both on FOB and C&F basis in accordance with Policy of Ocean Transportation. The C&F price quoted by Office Togolais Des Phosphate (OTP) Togo was US \$ 70.25 per MT with an FOB price of US \$ 47 PMT. In the techno-economic evaluation done at the C&F price of various suppliers, Togo was the lowest for production of phosphoric acid. But RCF decided to hold negotiations because FOB price of Togo was higher and the freight quoted was not workable based on their past experience. However, the supplier did not agree for making any reduction in the FOB price and remained confident that it could make shipments at the freight quoted by them of US \$ 23.25 per MT. Since Transchart was not able to match the quoted freight rate, they granted waiver for the contract to be executed on C&F basis. The supplier has fixed two vessels at the freight rate of US \$ 23.16 per MT on a derived basis. *Prima facie*, the inference that the freight rate quoted by the supplier was unrealistic to force C&F purchase is not substantiated; however, Government has decided to have the matter further examined.

Other Public Sector fertilizer companies have been following procedures in accordance with the Policy of Ocean Transportation of cargo under the control of Government/ Public Sector Undertakings for their purchases, including that of rock phosphate.

[Translation]

Decline in Procurement of Foodgrains

- * 196. SHRIMATI KETAKI DEVI SINGH :
SHRI SATYA DEO SINGH :

Will the Minister of FOOD AND CONSUMER AFFAIRS be pleased to state :

- (a) whether there has been heavy decline in procurement of foodgrains by the Government during the first month of the current financial year ;
- (b) if so, the reasons therefor;

(c) the percentage of decline registered in procuring the foodgrains by the Government during the current year as compared to the last year ;

(d) whether the Government have taken any concrete steps to increase the procurement of foodgrains ; and

(e) if so, the details thereof ?

THE MINISTER OF STATE OF THE MINISTRY OF FOOD AND CONSUMER AFFAIRS (SHRI RAGHUVANS PRASAD SINGH) : (a) to (c) The procurement of rice and wheat during the first month of the current financial year 1997-98 i.e. April 1997 is given below :

(in lakh tonnes)

April	Wheat	Rice	Total
1997	17.86	3.85	21.71

There is no decline in the procurement of foodgrains during the current year (1996-97 Kharif Marketing Season in respect of rice and 1997-98 Rabi Marketing Season in respect of wheat) as compared to the last year. To the contrary, there has been a 23% increase and 13% increase in the procurement of rice and wheat respectively.

(d) and (e) Government have taken several steps for increasing the procurement of foodgrains such as: (i) Minimum Support Price of wheat was increased from Rs. 380/- per quintal in 1996-97 to Rs. 415/- per quintal in 1997-98, and an additional bonus of Rs. 60/- per quintal was also allowed raising the procurement price to Rs. 475/- per quintal, (ii) placement of wheat under selective credit control system to help the procurement agencies, (iii) preponement of Rabi Marketing Season by 2 weeks starting from 17.3.1997, (iv) nominating NAFED as procuring agency for Central Pool in Bihar.

In order to encourage collection of more rice through levy in 1996-97 season, the Government announced an increase in the prices of levy rice in the range of 8 to 9% as against the increase of 5 to 5.5% in the MSP of paddy. Besides, no exemption from levy has been allowed to any variety of non-basmati rice meant for export or internal trade, in the 1996-97 season.

[English]

Rehabilitation Scheme for Sick Units

* 197. SHRI G. VENKAT SWAMY : Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

- (a) whether his Ministry has finalised the rehabilitation scheme for its sick public sector undertakings;
- (b) if so, the details thereof; and